[Andrew Marr: How long will it be until Greece runs out of money?]

Yanis Varoufakis: Well, you can’t expect a Minister of Finance to answer such an impertinent question now, can you?

Andrew Marr: You know, it was worth a try. But do you accept that by the 5th June, Greece will either have to head towards a new deal or will be heading towards a default?

Yanis Varoufakis: Well, what I can tell you is that Greece has made enormous strides at reaching a deal. It is now up to institutions to do their bit. We have met them three quarters of the way, they need to meet us one quarter of the way.

Andrew Marr: In essence, is this now a choice between Greece being able to pay pensions and public sector salaries on the one hand, or being able to pay off your international creditors on the other?
Yanis Varoufakis:
Well, let me put it very succinctly. For the last four months the Greek State has been managing not only to pay salaries, pensions and its various obligations internally, domestically. But also to extract from the fabric of the public sector up to 14 per cent of GDP in order to meet repayments to the IMF and other creditors. So we’ve done remarkably well for an economy that doesn’t have access to the money markets to meet our obligations. At some point we will not be able to do it, and at some point we are going, obviously, to have to make this choice that no Minister of Finance should ever have to make. And of course the choice that one makes under those circumstances is clear cut, isn’t it?

Andrew Marr:
If you are forced to go even further with austerity, will you now go back to the Greek people with a referendum to refresh your mandate?

Yanis Varoufakis:
Andrew, I don’t believe that we need to do this. The Greek people are completely supporting us. We have a very fresh mandate, and we have a fresh mandate to end this austerity trap, to end this debt deflationary spiral, and to say to the institutions that it is not in their interest as our creditors that the milk - sorry, the cow that produces the milk should be beaten into submission to an extent that the milk will not be enough for them to get their money back.

Andrew Marr:
Now, as we head to these June deadlines, how close really are we to an actual Greek default or an exit from the EU?

Yanis Varoufakis:
This situation has been serious for many years now. The reason why I’m standing here in front of you as a minister of finance is because the centre of the political spectrum imploded under the weight of the humanitarian crisis caused by this austerity trap. The reason why we were elected was to put an end to it. And the reason why the people are with us is because this is the first time we have a Greek government prepared to bargain all the way to the wire in order to achieve a very sensible, very basic programme of deep reforms on the one hand and a sensible fiscal consolidation plan on the other.

Andrew Marr:
Given how tough the international institutions are being on you, how disastrous, or catastrophic, do you think it would be on you if Greece actually left and went back to the Drachma?

Yanis Varoufakis:
It would be, it would be. Because once you are in a monetary union getting out of it is indeed, as you put it, catastrophic. We don’t have a currency pegged to the Euro, we just have the Euro. It is like having a foreign currency as your currency. Trying to get out of it is tantamount to announcing in advance a devaluation, you know, ten months in advance. It would be a disaster. But you see it would be a disaster for everyone involved. It would be a disaster primarily for the Greek social economy, but it would also be the beginning of the end of the common currency project in Europe. Whatever some analysts might be saying about firewalls, these firewalls won’t last long once you put, infuse into people’s minds, into investors’ minds, the idea that the Eurozone is not indivisible, it will only be a matter of time before the whole thing begins to unravel.

INTERVIEW ENDS